

The Montana Medicaid Program  
Report to the 2013 Legislature

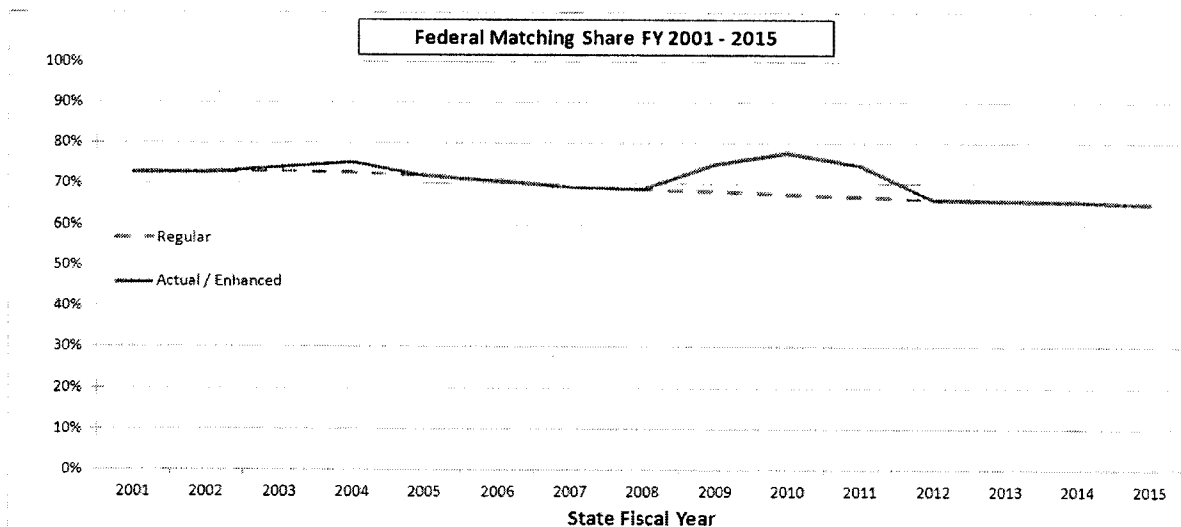
**EXPENDITURE ANALYSIS**

Medicaid services are funded by a combination of federal and state (and in some situations local) funds. The federal match rate for Medicaid services is based on a formula that takes into account the state average per capita income compared to the national average. For example, in Fiscal Year 2006 for every Medicaid dollar, the federal share was 70.66 cents and the Montana state share was 29.34 cents. In Fiscal Year 2012, the Federal share was 66.21 cents and the State share was 33.79 cents.

Montana Medicaid Benefits Federal Matching

| State Fiscal Year  | 2006   | 2007   | 2008   | 2009   | 2010   | 2011   | 2012   | 2013   | 2014   | 2015   |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Federal Match Rate | 70.66% | 69.29% | 68.59% | 74.80% | 77.65% | 74.58% | 66.21% | 65.99% | 65.62% | 65.20% |
| State Match Rate   | 29.34% | 30.71% | 31.41% | 25.20% | 22.35% | 25.42% | 33.79% | 34.01% | 34.38% | 34.80% |

The following chart illustrates the increase in the federal share of Medicaid costs that were made available by the federal government during past economic downturns. The increase in federal match for FY2003-04 was implemented as a result of the Jobs and Growth Tax relief Reconciliation Act of 2003. Federal match was increased in FY2008-11 due to the enactment of the American Recovery and Reinvestment Act.



| State Fiscal Year | 2001   | 2002   | 2003   | 2004   | 2005   | 2006   | 2007   | 2008   |
|-------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Regular           | 72.85% | 72.88% | 72.96% | 72.81% | 71.96% | 70.66% | 69.29% | 68.59% |
| Actual / Enhanced | 72.85% | 72.88% | 74.15% | 75.36% | 71.96% | 70.66% | 69.29% | 68.59% |

| State Fiscal Year | 2009   | 2010   | 2011   | 2012   | 2013   | 2014   | 2015   |
|-------------------|--------|--------|--------|--------|--------|--------|--------|
| Regular           | 68.08% | 67.48% | 66.86% | 66.21% | 65.99% | 65.62% | 65.20% |
| Actual / Enhanced | 74.80% | 77.65% | 74.58% | 66.21% | 65.99% | 65.62% | 65.20% |

